
DIGEST

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Harrison

HB No. 1008

Abstract: Provides for the determination of liability for the diminution in the value of a damaged vehicle.

Proposed law adds a provision that provides that whenever a motor vehicle is damaged through the negligence of a third-party without being destroyed, and if the owner can prove by a preponderance of the evidence that, if the vehicle were repaired to its preloss condition, its fair market value would be less than its value before it was damaged, the owner of the damaged vehicle is entitled to recover as additional damages an amount equal to the diminution in the value of the vehicle. Notwithstanding, the total damages recovered by the owner cannot exceed the fair market value of the vehicle prior to when it was damaged, and the amount paid for the diminution of value must be considered in determining whether a vehicle is a total loss pursuant to R.S. 32:702.

(Adds R.S. 9:2800.17)

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Insurance to the original bill.

1. Made technical changes.
2. Removed a provision that provides that when a motor vehicle is damaged through the negligence of an insured without the vehicle being a total loss, and the vehicle is repaired, and its fair market value after such repair is less than its value before it was damaged, the owner of the damaged vehicle is entitled to recover compensation, from the insurer or insured, for both the cost of the repair and an amount representing the diminution in the value of the vehicle.
3. Added a provision that provides that whenever a motor vehicle is damaged through the negligence of a third-party without being destroyed, and if the owner can prove by a preponderance of the evidence that, if the vehicle were repaired to its preloss condition, its fair market value would be less than its value before it was damaged, the owner of the damaged vehicle is entitled to recover as additional damages an amount equal to the diminution in the value of the vehicle.
4. Added a provision that specifies that the total damages recovered by the owner cannot

exceed the fair market value of the vehicle prior to when it was damaged, and the amount paid for the diminution of value must be considered in determining whether a vehicle is a total loss pursuant to present law.